



**COUNTY OF LOS ANGELES
DEPARTMENT OF BEACHES AND HARBORS**



May 1, 2003

STAN WISNIEWSKI
DIRECTOR

KERRY GOTTLIEB
CHIEF DEPUTY

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**LIFEGUARD TOWER SAFETY SIGN
SPONSORSHIP AGREEMENT
(3RD and 4TH DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize and instruct the Chair of the Board of Supervisors to sign the attached ten-year Lifeguard Tower Safety Sign (Safety Sign) Sponsorship Agreement (Agreement) with Verizon California, Inc. (Verizon), granting Verizon the exclusive right to sell advertising on the Safety Signs and to be the sponsor of the Department of Beaches and Harbors' Water Awareness, Training, Education and Recreation (W.A.T.E.R.) Program, in exchange for \$3,775,000 in cash designated to offset W.A.T.E.R. Program costs and \$453,000 in cost savings over the ten-year period, effective upon your Board's approval.
2. Grant the Director of the Department of Beaches and Harbors (DBH), with concurrence of County Counsel, the authority to execute nonmaterial amendments to the Agreement during the ten-year term.
3. Find that the recommended action is categorically exempt from the provisions of the California Environmental Quality Act (CEQA).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On June 16, 1992, your Board approved a ten-year agreement with Transportation Displays Incorporated (now known as Viacom Outdoor) for the Lifeguard Tower Safety Sign sponsorship program on beaches owned or operated by Los Angeles County (Beaches). On June 4, 2002, your Board extended the existing Viacom agreement for up to one additional year on a month-to-month basis in anticipation of an impending new agreement. Throughout Fall 2002 – Winter 2003, the Department solicited a new sponsor for this program and Verizon submitted the most advantageous proposal. Verizon has agreed to pay the County through escalating annual fees a total of \$3,775,000 over ten years for the exclusive right to sell advertising on a portion of the Safety Signs.

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Verizon will also fund the ongoing maintenance, graffiti removal, repair and replacement of the Safety Signs, which will save the County an estimated \$453,000.

The Safety Sign program provides the public with safety warnings and notices regarding conduct on the Beaches that violates County ordinances. The cash payments to be received will support DBH's successful W.A.T.E.R. youth program, which has been in existence since 1986. This program uses County lifeguards to teach ocean education skills to Los Angeles County youth, with emphasis on inner city and special needs youth. It has been highly successful in reaching out to thousands of these youth and making it possible for them to receive education in ocean safety/recreation skills and the marine environment.

In exchange for these benefits, Verizon obtains the right to sell advertisements on 180 Safety Signs, as well as designation as the "Official Sponsor of the Los Angeles County W.A.T.E.R. Program."

This Agreement provides that the Director of the Department of Beaches and Harbors (Director), with the concurrence of County Counsel, is authorized to execute nonmaterial amendments.

Implementation of Strategic Plan Goals

Entering into this agreement will promote "Children and Families' Well-Being" and "Community Services" of the County's revised Strategic Plan Goals, by funding the Department's highly successful W.A.T.E.R. youth program, which currently services approximately 4,500 children annually. Four out of the five outcome areas in the "Children and Families' Well-Being" Goal are promoted by W.A.T.E.R. in that (1) good health is encouraged through introducing children to physical exercise through water-based recreational activities, (2) safety and survival is emphasized through teaching important water safety skills, (3) social and emotional well-being is developed through promoting team work and positive achievements through group activities, and (4) educational/workforce readiness is achieved through introducing children to various ocean-related careers. The "Community Services" Goal is also promoted through this effort in that residents of Marina del Rey and other unincorporated areas of the County will benefit from increased opportunities to participate in aquatic and education programs, both in the Marina and on the Beaches.

FISCAL IMPACT/FINANCING

Verizon will provide the funding for this sponsorship through annual payments that begin at \$310,000 and then increase by \$15,000 a year, for a total of \$3,775,000 in payments over ten

years. In addition, through Verizon's maintenance and replacement of damaged Safety Signs, the County will benefit from an estimated \$453,000 in cost savings. Therefore, the Agreement will yield the County a total benefit of \$4,228,000 in cash and cost savings over the ten-year term of this Agreement.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Verizon may use the services of a separate agency to sell advertising on the Safety Signs. However, Verizon will indemnify the County for any liability incurred through such a separate agency and will oversee its activities.

All advertising placed on the Safety Signs will continue to be subject to approval by the Director and the Chief Lifeguard.

County Counsel has approved this Agreement as to form. On March 19, 2003, the Beach Commission unanimously approved this Department's recommendation.

CONTRACTING PROCESS

DBH sent out 71 letters soliciting interest in the Safety Sign sponsorship to advertising agencies that purchase advertising and to other interested companies. Another 133 companies were notified and invited to obtain proposal information through the Department's website. Newspaper ads were placed in the Los Angeles Times, Daily News, Chinese Daily News, Eastside Sun, Los Angeles Business Journal, and the Los Angeles Sentinel. In addition, proposal announcements were placed on the County's general website for purchasing and contracting opportunities, as well as through other websites that advertise public-private sponsorship opportunities.

The Department received proposals from three other companies and Verizon offered a financially superior package of benefits for the County.

ENVIRONMENTAL DOCUMENTATION

Approval of this Agreement is categorically exempt from the provisions of CEQA pursuant to Class 4(j) of the County's Environmental Document Reporting Procedures and Guidelines.

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this Agreement will enable the Department to continue providing important public beach use and safety information via its Safety Signs for the 55 million annual visitors to our Beaches, while also maintaining the financial underwriting of the W.A.T.E.R. youth program, which provides ocean educational instruction to thousands of youth from all Supervisorial Districts. As the former sponsor has left its Safety Sign structures in place on the Beaches, Verizon will be able to immediately use them to continue the program uninterrupted.

CONCLUSION

Instruct the Executive Officer, Board of Supervisors, to forward an approved copy of this Board letter and two executed originals of the Agreement to the Department of Beaches and Harbors.

Respectfully submitted,

Stan Wisniewski

Stan Wisniewski, Director

SW:kg

Attachments (1)

c: Chief Administrative Officer
County Counsel
Auditor-Controller
Executive Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF BEACHES AND HARBORS

**LIFEGUARD TOWER SAFETY SIGN
SPONSORSHIP AGREEMENT**

THIS AGREEMENT, made and entered into this _____ day of _____, 2003,

BY AND BETWEEN

COUNTY OF LOS ANGELES, a body
corporate and politic, hereinafter
referred to as "COUNTY"

AND

VERIZON CALIFORNIA, INC., a
California corporation, hereinafter
referred to as "SPONSOR"

W I T N E S S E T H:

WHEREAS, COUNTY is authorized by California Government Code Sections 26109 and 26110 and pertinent provisions of Los Angeles County Code Chapter 2.132 to sell the right(s) to advertise on those beaches located within Los Angeles County that are now or hereafter owned or operated by the COUNTY ("Los Angeles County Beaches"); and

WHEREAS, SPONSOR desires the right to be named the Official Sponsor of the Water Awareness, Training, Education and Recreation (W.A.T.E.R.) Youth Program operated by the Los Angeles County Department of Beaches and Harbors; and

WHEREAS, SPONSOR desires through the payment of cash fees to offset a portion of the W.A.T.E.R. Program costs and in exchange be granted the exclusive right to construct, install, and maintain informational lifeguard tower safety signs (Tower Safety Signs) throughout the Los Angeles County Beaches, and display advertising on a portion of those same Tower Safety Signs;

IT IS THEREFORE agreed by and between COUNTY and SPONSOR as follows:

1. **Definitions:** As used herein, the terms set forth below shall be defined as follows:
 - A. "Agreement Year" shall mean the 12-month period commencing on the date this Agreement is approved and executed by the Board of Supervisors, and each following 12-month period thereafter throughout the term of this Agreement.

- B. "Business Day(s)" shall mean a day or days of the week falling on Monday, Tuesday, Wednesday or Thursday; COUNTY Holidays are specifically excluded.
- C. "Chief Lifeguard" shall mean the Chief Lifeguard of the Los Angeles County Fire Department Lifeguard Operations Division.
- D. "Commencement Date" shall mean the date this Agreement is approved and executed by the Board of Supervisors, which is the effective date of this Agreement.
- E. "Department" shall mean the Los Angeles County Department of Beaches and Harbors.
- F. "Director" shall mean the Director of the Department of Beaches and Harbors.
- G. "Lifeguard(s)" shall mean the Los Angeles County Fire Department Lifeguard Operations Division.
- H. "Lifeguard Tower(s)" shall mean an enclosed structure(s) used by the Lifeguards.
- I. "Los Angeles County Beaches" shall mean those beaches over which the Department now or hereafter has jurisdictional and/or operational authority, or on which the Department and the Lifeguards place and maintain Lifeguard Towers.
- J. "Promotional Space" shall mean that 27" x 54" area on the Tower Safety Signs that is designated for placement of advertisements sold by the Sponsor.
- K. "Tower Safety Sign(s)" shall mean all of the materials and text/images that constitute a 5' x 5' sign containing the COUNTY's beach ordinances and hazard warnings, and featuring an area for the Promotional Space, which are mounted on the back of Lifeguard Towers and on other structures or mounted as otherwise directed by COUNTY.
- L. "W.A.T.E.R. Program" shall mean the Water Awareness, Training, Education and Recreation Youth Program operated by the Department, or its successor program(s).

2. **Rights Granted to SPONSOR**

Subject to the conditions set forth below, COUNTY grants to SPONSOR, during the term of this Agreement, exclusive sponsorship rights for the Lifeguard Tower Safety Sign program on the Los Angeles County Beaches, which rights are more specifically set forth below.

A. **Exclusive Right to Construct and Sell Advertising on Tower Safety Signs**

The exclusive right to design, construct, install and maintain all of the 180 Tower Safety Signs, as well as to sell and place advertising on the Promotional Space, all of which is subject to the limitations herein.

B. Sponsorship Rights

- 1) The right to advertise and promote itself as the "Official Sponsor of the Los Angeles County W.A.T.E.R. Program" or similar designation mutually agreed upon by the parties hereto.
- 2) The right to use during the period of this Agreement the Department logo and the official County of Los Angeles logo solely in connection with the advertising and promotion of SPONSOR's official designation in Section 2.B.1 immediately above. The Department and SPONSOR may also mutually agree in writing to develop or use other logos that promote the SPONSOR's official designation in Section 2.B.1 immediately above. SPONSOR agrees that the rights granted herein with respect to these logos are non-exclusive and are limited to use in connection with promotion of SPONSOR's official designation as set forth herein.

C. SPONSOR expressly acknowledges that the rights granted in this Section only relate to the Tower Safety Signs and do not pertain to COUNTY's other existing or future signage agreements not involving the Tower Safety Signs. COUNTY will only permit other public service programs on the Lifeguard Towers that allow for name identification of an ongoing sponsor.

3. Obligations of SPONSOR

A. Payment of Annual Fee

- 1) For the exclusive right to sell advertising on the Promotional Space located on all Tower Safety Signs, SPONSOR agrees to pay COUNTY an annual sponsorship fee for each Agreement Year as follows to be used to assist in funding the W.A.T.E.R. Program:

First Agreement Year	--- \$310,000
Second Agreement Year	--- \$325,000
Third Agreement Year	--- \$340,000
Fourth Agreement Year	--- \$355,000
Fifth Agreement Year	--- \$370,000
Sixth Agreement Year	--- \$385,000
Seventh Agreement Year	--- \$400,000
Eighth Agreement Year	--- \$415,000
Ninth Agreement Year	--- \$430,000
Tenth Agreement Year	--- \$445,000

The payment for each Agreement Year will be divided into four (4) equal installments that are payable every three months. The first

quarterly payment for the First Agreement Year is due and payable 10 days after the Commencement Date. Each subsequent payment is due and payable on the first day of each successive three-month period after the Commencement Date. SPONSOR does not require an invoice from COUNTY to make its payments on time to the COUNTY. All late payments will accrue interest at an annual interest rate of 10% beginning the day after the payment is due, and any applicable interest charge shall be calculated as of the date a payment is received, and the proceeds from any payment shall be applied first to pay outstanding interest charges, if any.

B. Provision and Maintenance of Tower Safety Signs

- 1) The SPONSOR will bear all costs for keeping the Tower Safety Signs in a safe, clean and attractive condition and meeting all COUNTY requirements for their design, construction and placement. This responsibility includes producing and installing the Tower Safety Signs, as well as maintaining, repairing, removing and replacing them when they are weathered, damaged by the elements or damaged by graffiti and/or vandalism. SPONSOR shall conduct routine inspections of the Tower Safety Signs at least twice a month. SPONSOR shall repair or replace within five (5) days any damaged, vandalized or graffitied Tower Safety Sign that is reported to SPONSOR by COUNTY or found by SPONSOR during its maintenance inspections. If damage, vandalism or graffiti to a Tower Safety Sign is such that in the COUNTY's determination public safety in the area of the Tower Safety Sign is endangered, then SPONSOR shall repair or remove the Tower Safety Sign within 48 hours of COUNTY's notification; however, COUNTY reserves the right to remove more immediately part or all of any Tower Safety Sign that poses a danger to public safety. All Tower Safety Signs are to be reinstalled/replaced by the SPONSOR within five (5) days of removal from a particular location. The SPONSOR shall routinely provide COUNTY with maintenance reports every 3 months, or on other occasions as requested by COUNTY but not sooner than thirty days following the prior maintenance report. Such maintenance reports shall detail in a manner satisfactory to COUNTY the SPONSOR's inspection activities and shall report which Tower Safety Signs have been repaired and/or replaced.
- 2) The SPONSOR will bear all costs for installing, maintaining and replacing advertisements in the Promotional Space. The Promotional Space must either display an advertisement or public service message at all times.

- 3) The SPONSOR will bear all costs for any repairs to any Lifeguard Tower or other structure bearing a Tower Safety Sign that incurs damage in connection with any services performed on the Tower Safety Sign by SPONSOR or by any person/entity performing such services on its behalf.
- 4) The SPONSOR will allow COUNTY to place public service messages on any Tower Safety Signs that have unsold advertising in the Promotional Space, and SPONSOR shall install, maintain and remove all such messages on behalf of the COUNTY.
- 5) The SPONSOR will be responsible for moving a Safety Sign in the event that the original location of the Safety Sign is experiencing repairs, construction or replacement.
- 6) The SPONSOR will be responsible for removing and disposing of any or all of the Tower Safety Signs as directed by COUNTY by the expiration date or earlier termination date of this Agreement. In the absence of such notification, the Tower Safety Signs shall become the property of COUNTY upon expiration or earlier termination of this Agreement.

C. The SPONSOR may contract with another company or other companies to perform its obligations under this Agreement. However, the SPONSOR will be held responsible by the COUNTY for the performance of such company(ies) in fulfilling the SPONSOR's obligations.

4. COUNTY Obligations

In exchange for SPONSOR's fulfillment of its obligations, the COUNTY agrees to the following:

A. The COUNTY will provide motor vehicle training for the SPONSOR and SPONSOR's employees, contractors, agents and representatives who will be driving on the Los Angeles County Beaches. The Department shall provide SPONSOR and SPONSOR's employees, contractors, agents and representatives with access to the Los Angeles County Beaches to enable SPONSOR to exercise its rights and perform its obligations herein at no additional cost to SPONSOR. The Department may, upon written notice to SPONSOR, refuse entrance to the Los Angeles County Beaches to those of the SPONSOR's employees, contractors, agents or representatives who fail to conform to any regulations or procedures for driving on Los Angeles County Beaches.

B. The COUNTY will be responsible for the maintenance of the Lifeguard

Towers and may temporarily remove them from service for repair and/or replacement purposes, or due to beach erosion or construction. In addition, the COUNTY will move the Lifeguard Towers away from the high tide line to protect them from storm damage (normally in the winter months) or other natural/man-made hazards throughout the year. COUNTY will return all such relocated Lifeguard Towers to their original location, or to a new permanent location, as soon as in the COUNTY'S determination it is appropriate and safe to do so.

C. The COUNTY will identify SPONSOR as a sponsor of the W.A.T.E.R. Program in all materials produced by the COUNTY promoting the W.A.T.E.R. Program in which it identifies any other sponsor of the W.A.T.E.R. Program.

5. Approval Process

A. SPONSOR shall request COUNTY approval in writing, and must obtain COUNTY's prior approval, for all proposed advertising, all promotional logo usage and all promotional materials set forth herein and for Tower Safety Sign design/construction, and such approval shall not be unreasonably withheld. SPONSOR shall present by e-mail or other medium requested by the Department and, if unrelated to the SPONSOR's use of its official designation as in Section 5.A.2 below, the Chief Lifeguard any type of pictorial presentation as may be necessary for one or both of them to adequately review the SPONSOR's request(s). The Department and, as applicable, the Chief Lifeguard shall respond via the same medium either approving or rejecting the request within 3 Business Days. The aforesaid prior approval requirement applies to the following uses of SPONSOR's rights:

- 1) Any proposed advertisement to be placed in the Promotional Space;
- 2) All proposed advertising, promotional, internet and website materials or usage, radio and television commercials, or any other proposed use, display or promotional material with respect to the SPONSOR's official designation granted in Section 2.B.1; and
- 3) The design, size, color, nature of material, and hanging mechanisms for the Tower Safety Sign.

B. The SPONSOR agrees that all advertisements to be placed in the Promotional Space shall be appropriate and in good taste. Such advertisements shall not include political advertising, materials critical of government agencies, advertisements of an indecent, obscene, pornographic or sexually explicit nature, materials advocating the use of illegal substances, tobacco or alcohol products, or for any companies in direct competition with the COUNTY's exclusive sponsorships on Los Angeles County Beaches as defined by COUNTY in the following categories: (1) automobiles (not including automotive parts sold by

companies that are not in competition for automobile sales with COUNTY's sponsor in this category), (2) bottled water, (3) carbonated beverage and (4) any other exclusive sponsorship granted by the COUNTY on Los Angeles County Beaches, unless such advertising is sold prior to notification to SPONSOR by COUNTY of the conflicting grant of exclusive sponsorship and subsequently placed in the Promotional Panels up to 6 months after such notification.

C. At its sole and reasonable discretion, the COUNTY may reject any and all advertisements proposed for placement in the Promotional Space which it deems to fail to comport with the requisites of this Agreement, or which it deems injurious or harmful to its business, its reputation or public image or prone to impair the public's confidence in Los Angeles County. In addition, advertisement(s) already approved by the COUNTY may need to be removed from the Promotional Space by SPONSOR at COUNTY's direction if there is a negative public reaction against any such advertisement(s). If COUNTY disapproves of an advertisement and SPONSOR so requests, the Director or his designee shall meet with SPONSOR and make a good faith attempt to resolve any disagreement.

D. If anything is placed in or upon the Tower Safety Signs, including advertisements in the Promotional Space, which has not been approved by the COUNTY, then SPONSOR will have 24 hours from COUNTY's notice to remove any such item(s) from the Tower Safety Signs. If such items are still not removed after expiration of the 24-hour notice, then the COUNTY itself may remove the item(s) from the Tower Safety Signs and the COUNTY may require SPONSOR to reimburse COUNTY for such removal costs.

E. The SPONSOR agrees that all advertisements to be placed in the Promotional Space will be two-dimensional printed materials that do not contain moving parts and shall not provide an audio message or a scent. Further, such advertisements shall not entail the distribution of any samples, fliers, brochures, coupons or other similar materials.

F. Any failure by the Department and/or Chief Lifeguard to respond to any of the SPONSOR requests for approval shall not be deemed to constitute their approval of the submitted item(s), and only affirmative approval(s) from the Department and/or Chief Lifeguard will constitute such approval.

6. Term

This Agreement shall be effective from the Commencement Date and shall continue for ten Agreement Years, subject to the provisions concerning termination set forth below in Section 10.

7. **Operational Expansion or Reduction**

In the event that the COUNTY after the Commencement Date obtains expanded jurisdictional and/or operational authority over any additional areas, the rights granted hereunder shall apply to such additional areas as well, provided that the County is legally entitled to grant such rights in the additional areas and the parties are able to renegotiate the annual fees commensurate with the expansion of the rights granted hereunder.

In the event that the COUNTY's jurisdictional or operational authority on the Los Angeles County Beaches is reduced after the Commencement Date, or if the total number of Tower Safety Signs is expanded or reduced, both parties will in good faith promptly renegotiate an increase or a decrease in the annual fees commensurate with the increase or decrease of the rights granted hereunder.

If the reduction of COUNTY's control exceeds fifty (50) percent of the area of the Los Angeles County Beaches under its control as of the Commencement Date, the SPONSOR may terminate this Agreement upon sixty (60) days' written notice to COUNTY without incurring any further liability or monetary obligation to the COUNTY beyond the liability or monetary obligation incurred up to and including the termination date.

8. **Indemnification**

SPONSOR shall indemnify, defend and hold harmless COUNTY, and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the acts and/or omissions of either the SPONSOR or the SPONSOR's employees, contractors, agents, representatives, successors or assignees arising from and/or relating to this Agreement.

9. **Insurance**

Without limiting the SPONSOR's indemnification of the COUNTY, the SPONSOR and, as applicable, SPONSOR's agents and contractors shall provide and maintain at their own expense during the term of this Agreement the following program(s) of insurance covering the SPONSOR's activities. Such insurance shall be provided by insurer(s) satisfactory to the COUNTY's Risk Manager and evidence of such programs satisfactory to the COUNTY shall be delivered to the Department on or before the effective date of this Agreement. Such evidence shall be maintained by SPONSOR and shall specifically identify this Agreement and shall contain express conditions that the COUNTY is to be given written notice at least thirty (30) days in advance of any material modification or termination of any program of insurance. Such insurance shall be primary to and not contributing with any other insurance maintained by the COUNTY and shall

name the County of Los Angeles, its elected officials, officers, employees and agents as additional insureds.

A. Liability Insurance

- 1) A program including, but not limited to, comprehensive general liability, endorsed for broad form property damage with a combined single limit of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence. If written with an annual aggregate limit, the aggregate limit shall be not less than two (2) times the required occurrence limit. Furthermore, there shall be not less than TWO MILLION DOLLARS (\$2,000,000) excess liability coverage. If written on a claims made form, the SPONSOR shall be required to provide an extended two-year reporting period commencing upon expiration or termination of the Agreement.
- 2) Comprehensive auto liability insurance endorsed for all owned, non-owned and hired vehicles with a combined single limit of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence.

B. Workers' Compensation

- 1) A program of Workers' Compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability, with a ONE MILLION DOLLAR (\$1,000,000) limit and which specifically covers all persons providing services by or on behalf of the SPONSOR, and all risks to such persons under this Agreement. The COUNTY, in its sole discretion, may waive this requirement for organizations that are not legally required by the California Labor Code to maintain such coverage.

Failure on the part of the SPONSOR or its contractors and agents to procure or maintain required insurance shall constitute a material breach of this Agreement upon which the COUNTY may immediately suspend or terminate this Agreement.

10. Default and Termination

A. A party ("breaching party") shall be deemed to be in default of this Agreement upon one or both of the following conditions:

- 1) The breaching party fails to perform its obligations under this Agreement, and the breaching party fails to cure such failure within thirty (30) days after the breaching party's receipt of written notice by the other party describing the nature and extent of the failed performance. However, if the occurrence of such failure to perform is due to fire, earthquake, or other events reasonably beyond the control

of the breaching party, the non-breaching party shall grant a reasonable extension of time within which the breaching party may meet its obligations, the length of time for such extensions to be reasonably determined by the non-breaching party; or

- 2) A party shall become bankrupt or insolvent, or enters into liquidation, or has a receiver appointed and is thereby prevented from fulfilling its obligations.

B. Upon the occurrence of either of the foregoing conditions, the non-breaching party shall have the right to terminate this Agreement within 60 days after serving notice to the breaching party. Any adjudication of rights arising as a result of default under this Agreement shall be limited to a determination of monetary damages due. In the event of termination of this Agreement by the default of SPONSOR, SPONSOR's liability for monetary damages shall be reduced to the extent COUNTY receives payment from a replacement sponsor or vendor for the right to sell advertising on the Promotional Panels during the period over which damages are calculated. Also, COUNTY and SPONSOR shall not be liable for any consequential damages that might accrue as a result of default or termination of this Agreement.

C. Neither party shall be held liable for any damages caused to the other by virtue of its failure to perform any obligation hereunder when said failure to perform is a result of a court order issued by court of competent jurisdiction.

D. The above actions granted to both parties in this Section shall be in addition to, and not in lieu of, any other rights and remedies to which either party may be entitled.

11. **Waiver**

Failure or inability of any party to enforce any right hereunder shall not waive any right to enforce said right in the future.

12. **Notices**

All notices and statements to be given hereunder shall be given to the designated persons at the respective addresses of the parties as set forth below, unless notification of a change of address is given in writing. Any such notice shall be sent by registered or certified mail and shall be effective upon receipt. SPONSOR shall maintain an address within California as the address to which such notice shall be given and shall designate an agent with a California address to accept service of process. The address for notice and agents for service of process are:

COUNTY Department of Beaches and Harbors
13837 Fiji Way
Marina del Rey CA 90292
Attn: Dorothy Crane, Chief
Community and Marketing Services Division

SPONSOR Taylor Ramsey
Verizon Public Communications
9900 Flower St.
Bellflower, CA 90706

13. **Assignment**

Neither party shall have the right to assign or delegate any of its rights or obligations hereunder to any third party without prior written consent of the other party, which consent shall not be unreasonably withheld. The Director shall on behalf of the COUNTY approve/disapprove any such request made by the SPONSOR.

14. **Compliance with Law, Rules and Regulations**

Each party hereto shall comply with all applicable federal and state laws and regulations, as well as all municipal and COUNTY ordinances, rules and regulations, including but not limited to those relating to the Los Angeles County Department of Beaches and Harbors and the Los Angeles County Fire Department.

15. **COUNTY Lobbyist**

SPONSOR agrees that each "County Lobbyist", as defined in Los Angeles County Code Section 2.160.010, retained by the SPONSOR shall fully comply with the County Lobbyist Ordinance that is set forth in Los Angeles County Code Chapter 2.160. Failure on the part of any County Lobbyist retained by the SPONSOR to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Agreement upon which the COUNTY may immediately terminate this Agreement, upon written notice thereof to SPONSOR.

16. **Severability of Provisions**

Should any individual provision of this Agreement be declared void, the validity of the remainder of this Agreement will not be affected and will remain in full force and effect.

17. **No Joint Venture**

Nothing herein contained shall be deemed to constitute this a joint venture or partnership between the parties and none of them shall be responsible for any obligations of the others, except as herein specifically provided.

18. **Taxes and Assessments**

The SPONSOR's interest in the advertising sold on the Promotional Space may be subject to taxation and/or assessment, and in the event this should occur, the SPONSOR shall pay before delinquency all lawful taxes, assessments, fees or charges which at any time may be levied by the State, COUNTY, City or any other tax or assessment levying body.

19. **Termination for Improper Consideration**

COUNTY may, by written notice to SPONSOR, immediately terminate the right of SPONSOR to proceed under this Agreement if it is found that consideration, in any form, was offered or given by SPONSOR, either directly or through an intermediary, to any COUNTY officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award or amendment of the Agreement or the making of any determinations with respect to the SPONSOR's performance pursuant to the Agreement. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against SPONSOR as it could pursue in the event of default by the SPONSOR.

SPONSOR shall immediately report any attempt by a COUNTY officer, employee or agent to solicit such improper consideration. The report shall be made either to the COUNTY manager charged with the supervision of the employee or to the COUNTY Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

20. **Headings**

The headings of the paragraphed Sections of this Agreement are for convenience and reference only, and shall not define or limit any of the terms or provisions hereof.

21. **Amendment of Agreement**

Only nonmaterial amendments to the Agreement that do not materially change the scope of the Agreement, increase the COUNTY's financial responsibility or impose additional liability on the COUNTY may be executed without approval of the Los Angeles County Board of Supervisors and all amendments must be in writing and shall not be effective unless and until executed by SPONSOR and, in the case of the COUNTY, until executed by the Director.

22. **Governing Law**

This Agreement and all of its terms and conditions thereof shall be governed by and construed in accordance with the laws of the State of California. SPONSOR agrees that the exclusive venue of any action arising from or connected with this Agreement shall be deemed to be in the courts of the State of California located in Los Angeles County, California.

23. **Entire Agreement**

This Agreement contains the entire understanding between the parties relating to the subject matter herein contained and supercedes all previous communications, written or oral, with respect to the subject matter hereof.

IN WITNESS WHEREOF SPONSOR has executed this Agreement, or caused it to be duly executed, and County of Los Angeles, by order of its Board of Supervisors, has caused this Agreement to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board thereof, the day and year first above written.

SPONSOR

VERIZON CALIFORNIA, INC.

By: _____
Paul V. Francischetti
Executive Director

COUNTY OF LOS ANGELES

By: _____
Supervisor Yvonne Brathwaite Burke, Chair
Board of Supervisors

ATTEST

VIOLET VARONA-LUKENS
Executive Office-Clerk
of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By: _____
Deputy